

Taxable Transactions

The Louisville Municipal Code (“LMC”) imposes a lodging tax, in addition to sales tax, upon the amount of money received or due in cash and credits upon the lease or rental of any hotel room, apartment hotel room, motel room, lodging house room, motor hotel room, guesthouse room, guest ranch room, extended stay lodging room or similar accommodation located in the City.

Lodging tax, just like sales tax, must always be shown as a separate and distinct line-item charge and may not be combined with any other fees or charges imposed by the lodging provider. Any excess tax collected as a lodging tax, in excess of the lodging tax imposed by the LMC, must be remitted to the City.

Lodging Tax Exemptions

The lodging tax *does not* apply to the rental of banquet rooms or meeting rooms or lounges offered within a hotel, provided it is the dedicated use of the room and the room cannot also be used to provide overnight lodging.

The lodging tax *does not* apply to extended stay lodging of 30 consecutive days or more when rented under a long-term written agreement.

The lodging tax *does not* apply to the United States Government, the State of Colorado, its departments and institutions or political subdivisions *provided* the lodging charges are billed directly to or paid directly by the governmental entity. The person must also be acting within their governmental capacity and/or participating in governmental functions or activities.

Examples

1. Customer A is from out-of-state and reserves a standard deluxe room for two days to conduct interviews and meetings with local sales representatives. Louisville lodging tax would be due on the purchase price of the room because the room is intended to accommodate an overnight stay and is not a dedicated meeting room.
2. A local business group reserves a dedicated meeting room to conduct various presentations and networking activities. Louisville lodging tax is not due on the purchase price of the meeting room. Any food or beverages provided by the hotel is subject to Louisville sales or use tax as well as the rental of any equipment.
3. Customer B is an employee of a state municipality. Customer B pays for their room with a City-issued Visa card on which the City’s tax exempt tax number is printed. Louisville lodging tax is not due on the purchase of the room.

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4. A tax-exempt Church reserves five rooms for its members to attend a religious seminar at a nearby university. Louisville lodging tax would be due on the purchase price of the room because the LMC does not exempt charitable or non-profit groups from the imposition of the lodging tax.
5. Customer C is a Federal Government employee who reserves a room over the phone using their federally issued travel card. Upon check-out, Customer C asks you to use their personal credit card for payment of the room charges stating that they will be reimbursed for their travel expenses by their employer. Lodging tax, in addition to sales tax, would be due on the purchase price of the room because the charges are not being paid directly by the funds of the government.

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